

# Shasta Local Agency Formation Commission



## DRAFT Municipal Services Review & Sphere of Influence Update

### Mayers Memorial Healthcare District

September 2014

**Mayers Memorial Healthcare District  
Municipal Service Review & Sphere of Influence Update**

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## **1. EXECUTIVE SUMMARY**

Local agency formation commissions have been tasked with updating local agency municipal service reviews (MSR) and sphere of influence boundaries (SOI) every five years since 2008 [Government Code Section 56425 *et seq.*]. This study presents a baseline review of the Mayers Memorial Healthcare District (Mayers MHD) services and SOI needs, satisfying the requirements of this statute. The Mayers Memorial Healthcare District formation was approved by Shasta LAFCO on January 8, 1969.

In June 2012, the District submitted an application proposing to annex certain territory within its service area, but outside its legal boundary, into the District. They also submitted a request for concurrent expansion of its sphere of influence compatible with this proposed application.

During preparation of the 2014 SOI/MSR Update studies for Shasta County's local agencies, it was discovered that Shasta LAFCO had yet to review or establish a sphere of influence boundary for the Mayers Memorial Healthcare District.

The District submitted a completed Request for Information, form used by Shasta LAFCO to initiate an agency's MSR review, in November 2013. The District was first informed that a MSR review was not required for this type of district. However, in early 2013 the Commission determined that all Shasta County special districts required either the establishment of or updating of existing sphere of Influence boundaries pursuant to the requirements of Government Code 56524.

At the present time Shasta LAFCO is updating both the SOI and MSR for this District. The baseline review seeks to associate the original formation purposes and activities of the Mayers Memorial Healthcare District with an understanding of its current day operations and future plans.

## **2. GENERAL BACKGROUND**

Mayers Memorial Healthcare District provides services to the unincorporated areas of the northeastern corner of Shasta County (Burney, Cassel, Hat Creek, Old Station, Soldier Mountain, Fall River Mills and McArthur), the southwestern corner of Modoc County (Day Road), and the westerly communities of Lassen County (Little Valley, Bieber, Nubeiber, Lookout, Adin). It maintains a full-service hospital in Fall River Mills, and elder care facilities in Fall River Mills and Burney. People from as far away as Alturas (Modoc County seat) often use Mayers Hospital for delivery of their babies.

Mayers Memorial HD is located and provides services in three counties: Shasta, Modoc, and Lassen. The climate here is characterized by cool, wet and often snowy winters, and hot dry summers. Vegetation types primarily consist of timber, chaparral, and grasslands.

The General Plans for all three counties apply a broad range of land use designations to the territory within the Mayers Memorial Healthcare District service area: Urban Residential, Suburban Residential, Public Facilities, Commercial, Industrial, and Mixed Uses. Much of the surrounding area is in public forests, diverse agricultural use, high desert, private timberland use, and open space. Numerous conservation easements work to restrict development closer to the communities scattered throughout the District.

People in this area generally work locally, with some traveling to Redding and others to Alturas for larger community commercial and employment opportunities. Growth throughout the District slowed during the recent economic recession. Although it appears that more urban areas are seeing the economy beginning to turn upward, it usually takes from 5 to 10 years for those changes reach the more rural communities which are remote from easy access to commercial and industrial growth.

There are a number of seismically active zones within the District. Existing structures and future planned development are at risk from active faults within this area. Natural slopes of 10 percent or greater exist within the District's service area. Elevation changes caused by mountains and low foothills create the geological foundation on which the community is built. Future growth will continue to occur in this area, increasing exposure to urban-related fires, a need for increased stability and availability water, and of local medical services.

### **3. AGENCY SERVICES**

The Mayers Memorial Healthcare District (Mayers MHD) was formed in 1969 under the California Health & Safety Codes for Hospital Districts (HCD Section 32000 et. seq.), known as the "Local Health Care District Law." The District is empowered to provide the following services:

- To establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to, outpatient programs, services, and facilities; retirement programs, services, and facilities; chemical dependency programs, services, and facilities; or other health care programs, services, and facilities and activities at any location within or without the district for the benefit of the district and the people served by the district.
- To acquire, maintain, and operate ambulances or ambulance services within and without the district.

- To establish, maintain, and operate, or provide assistance in the operation of, free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare, and any other health care services provider, groups, and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the district.

Mayers Memorial Hospital was constructed during 1956 and 1957 by a local, non-profit organization as a tribute to Dr. and Mrs. Howard Mayers who arrived in the Intermountain Area in 1936 and opened a medical practice. Volunteer labor, and donated materials and funds made the facility possible. The concept of building a local hospital first emerged in 1951 during a meeting with local citizens. One month later Dr. and Mrs. Mayers were killed in a vehicle accident. Spurred by the tragedy, local citizens began a fund raising campaign to make the new hospital a reality. Events held at the Intermountain Fairgrounds included active participation by such notables as Bing Crosby, Phil Harris and many other Hollywood celebrities, for whom the Fall River Valley was a marvelous get-away location for the busy entertainers.

Once built, however, the new hospital was unable to open for a prolonged period, due to a lack of professional management and insufficient operating capital. In 1962 the owners of Memorial Hospital of Redding contracted with the Mayers Memorial Hospital Board to operate with the facility as a ten bed acute short-term general hospital.

This relationship lasted until October 31, 1966, when the contract was terminated by the Memorial Hospital of Redding Board. The Mayers Memorial Healthcare District came into being three years later, by petition of citizens to the newly formed LAFCOs in Shasta, Modoc, and Lassen Counties, and finalized by the Boards of Supervisors of those same counties.

Although past recessions have had their impact on the District and the citizens it serves, the last 49 years have seen expansion of original services and facilities. The District has applied to annex a total of 410,000 acres, the remaining areas where it continues to provide services outside its current boundary. This area is included within the proposed sphere of influence for this District.

Mayers Memorial Healthcare District's formation boundary matched the service area of the Fall River Joint Unified School District boundary as it existed in 1969. It is located in the Fall River Valley of rural eastern Shasta County, an area supported by agriculture, livestock and lumber industries, and Pacific Gas & Electric hydroelectric power generation stations.

The topography of the service area generally includes mountains, forests, agricultural uses, high deserts, and managed commercial timberlands. It encompasses 737,920 acres or 1,153 square miles of territory that is bisected by State Route 299 East, State Route 89, and portions of State Route 139. Current population is estimated at 10,637. The unemployment

rate in the area is 9.50%, with job growth of 1.04%. Future job growth over the next ten years is predicted to be 32.60%. The average rainfall in non-drought years is 18 inches per year, and for snowfall it is also 18 inches. Population projections are expected to change very little between 2014 and 2020, when the next census is taken.

Special districts provide focused services, as opposed to counties and cities who provide a long list of general services. Special districts have four distinguishing characteristics. Mayers Memorial Healthcare District: (1) is an independent form of local government; (2) is governed by an elected board of directors by the citizens living within the district; (3) provides services and facilities to the public; and (4) is defined by legally recorded boundaries, which can be amended from time to time.

LAFCOs are required to evaluate the potential for recommending coordination of services where several limited purpose agencies have overlapping service areas. Government Code Section 56001 states, in part:

*The Legislature finds and declares that a single multipurpose governmental agency is accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities especially in urban areas. **Nonetheless, the Legislature recognizes the critical role of many limited purpose agencies, especially in rural communities.** The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide governmental services.*

Government Code 56036(a) states: "district" or "special district" means an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries. Once formed through LAFCO, an independent special district operates under the provisions California codes for the type of district formed. Mayers Memorial Healthcare District is not governed by the Shasta County Board of Supervisors. It is an independent special districts with its own locally-elected board.

#### **a. Infrastructure, Facilities and Services**

Infrastructure needs are determined by management and the District Board using a strategic planning process and community assessment surveys.

In 2010, a USDA GO Bond (Measure D) passed in the general election which authorized \$14 million in bonds to improve local healthcare services and hospital facilities, and to address seismic issues at the acute care facility. It is anticipated that \$39 million in construction financing bonds are anticipated to be issued directly by Mayers MHD. This

Facility Replacement project consists of a 34,799 square foot modern facility capable of delivering state-of-the-art health care.

Although the current population within the District is 10,637, Mayers MHD serves the medical needs of more than 18,000 people annually from the northeastern counties of Shasta, Modoc, and Lassen --- an additional 8,000 square miles. Plans for future services are carefully evaluated by hospital management, medical staff, and the Board based on community needs and return on investment.

Originally constructed in 1954, the hospital has been expanded a number of times over the ensuing years. Much of the current facility does not meet current state-mandated seismic safety requirements. The building layout is outdated and inefficient, with many departments not meeting the minimum state requirements for hospitals under the current codes. In addition, electrical and mechanical systems are at capacity; this issue will be resolved when the Facilities Replacement project is completed.

No other agencies provide hospital care and services within the District boundaries. Modoc LAFCO approved the Last Frontier Healthcare District in 2009; its boundaries are just east of the rural town of Adin and outside of the area recently proposed for annexation by Mayers MHD.

In 2013, Lassen LAFCO approved the Southern Cascades Community Services District which is designed to assess and provide for locally-based ambulance, emergency medical, and training services to the Big Valley, Lookout, and Adin communities in both Modoc and Lassen Counties. The first ballot setting an assessment failed by a small margin, and a second ballot is scheduled for the spring of 2015.

Maps of Last Frontier Healthcare District and the Southern Cascades Community Services District are a part of this report and listed as Exhibit B.

The District currently provides emergency services to all patients, regardless of their ability to pay. However, the District only accepts requests for Medi-Cal inpatients and outpatients for elective services from residents who live within the District boundaries due to low reimbursement from state and federal governments.

Out-of-district parcels served are numerous and are provided in detail in the District's annexation proposal (Shasta LAFCO file #2012-02). That proposal is moving forward through the LAFCO process at this time, with a CEQA Negative Declaration proposed for the annexation. It is anticipated the proposal will come before the Commission within three to five months.

In an emergency situation the Hospital Incident Command System (HICS) coordinated by the Emergency Medical Services Agency (EMSA) has been implemented at Mayers Hospital. The HICS methodology is used for planning, response, and recovery capabilities for planned and unplanned events. Emergency water is accessible and a disaster trailer, funded by Homeland Security, stores medical supplies in the event of a disaster. A back-up generator is tested weekly and can provide power within ten seconds, if necessary.

**District Services**

The District currently provides the following services:

24/7 Emergency Room	Outpatient Services
Acute Care	Pharmacy
Cardiac Rehabilitation	Physical Therapy
CPR Classes	Rehabilitation
Dietary	Respiratory Therapy
Hospice	Skilled Nursing
Imaging	Surgery
Laboratory	Tele-Medicine
Obstetrics	

Details about these and other services can be obtained from the Mayers MHD website located at [www.mayersmemorial.com](http://www.mayersmemorial.com).

**b. Administration, Management and Operations**

When preparing or updating a municipal service review, information about administrative, management and operational functions, including assuring internal organization and agency policies, rules, and regulations, are evaluated with respect to efficiencies and/or cost avoidance opportunities.

The Mayers Memorial Healthcare District employs 260 full-time employees. Individual departments provide each infrastructure service by category that is led by the executive staff and management. Staffing added in the past three years include Chief Nursing Officer (combined CNO & SNF positions), Director of Support Services, and Compliance Officer.

Mayers Memorial Healthcare District Board policies comply with all applicable provisions of federal and state laws and other rules and regulations of governmental authorities and accrediting agencies related to hospitals and their services. Specific regulations include: Title 22 (State of California); CMS Department of Health and Human



Services; State Operations Manual (federal); Local Health Care District Law; and the Ralph M. Brown Act.

Private organizations or agencies who provide services to the Mayers Memorial Healthcare District include:

- EmCare: (emergency department services agreement)
- Transfer Agreements with Mercy Hospital, US Davis Medical Center, PHI, Reach Air Ambulance, UC Davis Neonatal Agency
- Nor-Cal Emergency Medical Services Agency
- Sierra-Sacramento Valley Emergency Medical Services Agency
- Shasta Pathology Associates
- Rural Wisconsin Health Cooperative
- Resolutions (business office, training, consulting, etc.)
- Rudolph & Sletten (construction management contractor)

The Board of Directors approves the annual operating budget and any capital expenditures over \$25K that are not included in the budget. The Board must comply with bidding practices under the Local Health Care District codes and the Ralph M. Brown Act.

**c. Fiscal**

The District receives property taxes, special tax assessments for Measure D (GO Bond Measure), hospital service charges, and grants. Additionally, the hospital receives reimbursement from state and federal programs (Medi-Cal and Medicare) due to its designation as a Critical Access Hospital. Other financing opportunities are listed earlier in this document, such as the capital campaign, and the USDA loan financing program for a new facility.

Financial documents for 2014-2015 (Exhibit E) for the District services are included at the end of this report, and provide a more detailed review of District finance and expenses. Anticipated revenues for fiscal year 2014, by department, are:

• Nursing Service	
○ Medical/Surgical	\$4,245,665
○ Skilled Nursing	7,623,364
• Ancillary Services	
○ Inpatient	3,969,691
○ Outpatient	18,109,681
• Other Revenues (property taxes	<u>593,069</u>
<b>Total Anticipated Revenues</b>	<b>\$34,541,470</b>

After contractual, charity, and other deductions from revenues (\$12,541,010) are made, the net revenues for 2014 are expected to be \$22,000,459.

There is a lack of physicians serving the needs of the District residents and this is a constraint in generating revenues. The USDA loan application has been submitted and accepted at the state division; it is currently under review at the national office with approval pending.

Expenditures are limited to those included in the current budget. Capital expenditures outside the budget that are more than \$25K require Board approval before acquisition. The District has a BBB bond rating, determined by the economic strength of the District and the hospital's financial position at the time of rating. The Mayers' Intermountain Healthcare Foundation, a 501(c)3 non-profit organization working in support of the hospital and District, has approved investment policies.

Variances in taxes are based on property values assessed by Shasta County. Mayers sees all patients regardless of their ability to pay. A Discount Payment Policy applies to all uninsured or underinsured patients who meet those guidelines. A sliding fee schedule, based on the annual HHS Poverty Guidelines is used to determine the qualifying income levels of applicants. Guidelines are subject to change yearly based on the HHS Poverty Guidelines.

Charge master reviews and rates are adjusted annually based on the outcomes of review. Rates are adjusted at least annually due to cost increase, inflation, and utilization. A capital expenditure plan is approved annually by the Board of Directors for replacement of equipment and infrastructure.

The District manages a very conservative budget, exercising due diligence on all fiscal matters and records. The annual budget is used as the current tool for limiting expenditures. Any expenditure in excess of the budgeted amounts need to be brought before the Board for approval.

#### **d. Governance**

A five member Board of Directors is the governing body for the District and members are elected at-large on alternating election cycles, serving a four-year term. All current board members were elected to their positions. Mayers Memorial Healthcare District is a registered-voter district. The governing board does not receive compensation for their service to the District, although they are offered the same health benefits provided to their employees. They may be reimbursed for expenses related to acting in an official capacity at conferences or trainings, subject to the approval of the full board.

Board meetings are held monthly on the fourth Wednesday of each month, or more often under special circumstances, at 1:00 p.m. at the Board Room at its Fall River Mills offices. The meeting notices and agendas are posted on the District website, and at Burney and Fall River Mills public facilities at least 72 hours in advance of the regular monthly meetings.

There is a line item on every meeting agenda for the public to address the Board to make comments pursuant to state codes and Board policy. Residents are encouraged to participate on some committees. Meetings are accessible to the public and the meeting locations have adequate space for public participation.

The Board maintains three standing committees: finance, strategic planning, and quality. They also meet monthly prior to regularly scheduled Board meetings. No regular Board meetings have been cancelled during the past four years.

There have been no reported violations or investigations within the past three years relative to the Ralph M. Brown Act or the Political Reform Act.

#### **4. REGIONAL CONTEXT/RELEVANT SERVICES BY OTHER AGENCIES**

Land use and building regulation services within the Mayers Memorial Healthcare District area are provided by the Counties of Shasta, Modoc, and Lassen, as are law enforcement, road services and other general public services provided to the unincorporated areas of the county by various county departments. The District maintains interagency cooperative arrangements which benefit both the citizens within the district and neighboring agencies.

#### **5. AGENCY BOUNDARY AND PROPOSED SPHERE OF INFLUENCE UPDATE MAPS.**

The Mayers Memorial Healthcare District boundary has not been changed since its formation in 1969. An annexation proposal to bring areas served over the past 45 years is currently being reviewed in preparation for a public hearing before the Commission in the next few months. The first proposed sphere of influence boundary designed for this District as presented includes three specific areas now receiving services but are located outside the District boundaries: one area in each of Shasta, Modoc, and Lassen Counties. The proposed SOI boundary is compatible with the proposed annexation and meets LAFCO codes indicating that services be provided, whenever possible, within a District's boundaries.

**6. WRITTEN DETERMINATIONS FOR THE MUNICIPAL SERVICE REVIEW**

**a. Growth & Population Projections**

Development and growth within the District will be primarily guided by the rate development proposals are approved by Shasta, Modoc, and Lassen Counties, and the rate that business activities recover from the recent recession. District operations and program growth needs are addressed in the regular update of strategic plans and will be included in and considered during applications for annexation requests and development permits so as to effectively meet expected service needs.

**b. Disadvantaged Unincorporated Communities (DUCs)**

Senate Bill 244 (2011) governing the identification of disadvantaged communities requires both counties and cities to undertake an inventory of these areas during updates of their General Plan Housing Element. In addition, LAFCOs are mandated to make determinations about disadvantaged communities within an agency or within its periodic municipal service review and sphere of influence updates, and with any boundary changes.

The current median per capita income for the state is \$46,477, and a local unincorporated community whose median per capita income falls below 80% of this figure would qualify for designation as a DUC. The unincorporated area serviced by the Mayers Memorial Healthcare District has more than 12 registered voters and therefore qualifies as a “Disadvantaged Unincorporated Community.”

The median per capita income calculation for the Mayers Memorial Healthcare District service area is estimated to be near \$24,305. A “community” is defined in SB 244 as an inhabited area that is comprised of no less than 10 dwellings adjacent to or in close proximity to one another, or at least 12 registered voters within the identified area.

Analysis by the County, to take place during specific General Plan element updates, includes evaluation of unmet service needs of these areas (i.e. failing septic systems, water or drainage issues, etc.). This can include such “communities” as trailer parks or resort areas. The District will want to be familiar with development of this data for future planning purposes since issues identified can directly affect service levels and requirements. With identification of these special areas and County plans and policies established to address their service needs, LAFCO will be able to incorporate that data during the next round of municipal service reviews and sphere of influence updates in 2019.

LAFCO is using a California State Parks ([www.parks.ca.gov](http://www.parks.ca.gov)) to provide a guide estimating income and population levels (see attached sheets). The population counts shown on these reports only encompass a two mile diameter and may not reflect the actual population assigned to those areas. Learn more about the Disadvantaged Communities process from a useful State Technical Advisory which can be downloaded from the Shasta LAFCO website at [www.shasta.lafco.ca.gov](http://www.shasta.lafco.ca.gov) under the “Resources” tab.

**c. Present and Planned of Public Facilities**

The District monitors capital improvement needs to maintain and upgrade service systems using updated strategic plans adopted by the Board of Directors. Future development will pay its pro rata share of costs for extension of existing or expansion into new services for currently undeveloped land or territory outside the current district service boundary according to District policies and conditions.

A USDA GO bond (Measure D) approved by the voters will address seismic issues at the acute care facility. The District anticipates issuing \$39M in construction financing bonds to build a new facility that meets local, state and industry codes for public safety.

**d. Adequacy of Public Services**

District services are very professionally managed and delivered, adequately meeting the needs of the population it serves. District facilities and equipment are handling current service needs, although the District is replacing its older facilities and infrastructure. The District also has sufficient ability to access needed resources and the capacity to serve the areas within the proposed sphere of influence boundaries, with the cost of extension of services to be tied to development permits for future growth and development. Improvement in the local economy and application of reasonable fees and charges for services will assist with management and funding of their services.

**e. Infrastructure Needs or Deficiencies**

The District regularly monitors and evaluates its infrastructure capacity, condition, availability, and quality through regular updates of its strategic plan. Correlation of operational, capital improvement, and finance plans are appropriate for the size of the District and its service area at this time. The Board of Directors is working diligently to resolve identified infrastructure and equipment needs and deficiencies. Please refer to Section 3. Agency Services for more specific details on deficiencies and the District’s plans for upgrading its facilities and infrastructure. The District strategic plans are available from District staff upon request.

**f. Financing Constraints and Opportunities**

The District derives its service funding primarily from limited fees and charges levied for services provided. As such, the District must maintain a reasonable nexus between fees and charges levied and the cost of the service provided, seeking to be as efficient and innovative as possible in maximizing use of existing fiscal resources.

The Mayers Memorial Healthcare District utilizes cost avoidance techniques which increase efficiency and decrease operating costs. Techniques include eliminating duplicate services, reducing high-administrative-to-operational-cost ratios, reducing inventories of inefficient and/or outdated equipment, implementing economies of scale and creative use of personnel and volunteer resources. The District Manager and the District Board maintain a close review of expenditures through reports presented at their monthly meetings, as well as during the District's mid-year review of budget processes.

**g. Opportunities for Rate Restructuring**

There are inherent statutory limitations on the District's ability to restructure rates. The District regularly reviews rates, fees, and charges levied annually to maintain a reasonable nexus between rates and actual costs.

**h. Status of and Opportunities for Shared Facilities**

Existing contractual agreements notwithstanding, there are presently inherent limitations – geographically, jurisdictionally, and operationally – on District services or facilities being extended to and/or shared directly with other areas or other service purveyors outside its proposed SOI boundary.

The only other healthcare district nearby is the Last Frontier Healthcare District in Modoc County (See Exhibit). A newly approved Southern Cascades Community Services District could be completed within the year, is to be formed for services relating to ambulance, medical, and training services. As such, any overlapping of its boundaries with the Mayers Memorial Healthcare District boundaries or services will not create a conflict between agencies.

**i. Accountability for Community Service Needs, Governmental Structure, and Operational Efficiencies.**

The District meets monthly (or more often as needed), notices meetings, and offers the public an opportunity to participate in their meetings, which are mainly focused on

provision of water, sewer, and recreation services, and the maintenance of related facilities. The District continues to support an effective internal organization to provide efficient, quality services.

The District has developed an understanding of the various governmental restructuring and jurisdictional change options provided under the LAFCO statute as they would pertain to and affect county water districts.

At this time, there are no opportunities to consolidate with other local agencies in the vicinity. Healthcare Districts provide a very specialized set of services not authorized to the majority of other types of California special service districts.

The Mayers Memorial Healthcare District has established effective internal organizational systems for providing efficient, high-quality public services. It maintains an on-going effort to improve services, reduce waste, eliminate duplications, contain costs, maintain qualified employees, build and maintain adequate contingency reserves, encourage and maintain open dialogues with public and other public and private agencies. On-going analyses of agency functions, operations and practices, and the ability to serve current demands and plan for future service demands, provides the staff and District Board with a constant stream of information for making future decisions.

Its governing board and administrative staff realize the importance of fostering local accountability. It appears that decision makers are accessible and accountable to the public, actively encouraging valuable public participation. They solicit public input when considering program and infrastructure plans and disclose the result to the public. The District is to be commended on their progressiveness in reaching out to the community it serves.

## **7. WRITTEN DETERMINATIONS FOR THE SPHERE OF INFLUENCE UPDATE**

### **a. Present and Planned Land Uses**

Shasta County designates much of the area served as residential, rural residential, some agricultural, and outlying timberlands. This is a rural area, with community development either clustered around State Route 299 West or scattered about on secondary roads. Availability of water often determines where development will occur.

### **b. Present and Probable Need for Public Facilities; Adequacy of Services**

Shasta County designates much of the area served as residential, rural residential, some agricultural, and outlying timber lands. This is a rural area, with community

development either clustered around State Route 299 West or scattered about on secondary roads. Availability of water guides where development will occur. The District Five Year Plans are updated regularly and provides guidance for addressing the impacts of future growth.

**c. Present Capacity of Public Facilities and Adequacy of Services**

District facilities are adequate for current service needs. It has the capacity to serve the areas within the proposed sphere of influence boundaries, with the cost of extension of services tied to future service needs, such as the development of parcels.

The District provides a critical access hospital including acute care, emergency, obstetrics, hospice, ambulance, radiology, laboratory, surgery, outpatient, wound care, respiratory, cardiac rehabilitation, physical therapy, and long term care. The District service area is greater than the territory within its current boundaries; therefore the District is proposing annexation of the service areas outside its boundaries.

**d. Existence of Social or Economic Communities of Interest**

Local shopping takes place within the Intermountain area (mostly Fall River Valley and Burney), and the City of Redding provides a major shopping and service industry hub to the west for local residents. Residents in Modoc county visit Alturas, and those in Lassen County do travel to Susanville. Reno is another major shopping area for all residents. Some people regularly go to Klamath Falls for shopping as well.

The Redding Area Bus Authority (RABA) operates the Burney Express, a daily bus between Redding and Burney that accommodates citizens for travel to the valley for doctor appointments and major shopping. This bus currently is a one-day ride, leaving in the morning and returning at night. Expansion of this service to two or three trips per day would permit a greater number of people to take advantage RABA services. This is the only public transportation service within the Districts service area.

**e. Present And Probable Needs of Disadvantaged Unincorporated Communities (DUCs) Within The Area.**

As identified in the MSR section, the Mayers Memorial Healthcare District service area qualifies as a disadvantaged unincorporated community by virtue of its median income. Shasta County is undertaking a study of these DUCs as part of their General Plan update and additional information should be available for an expanded analysis of this designation during the next MSR/SOI Update which will be due in 2019.



## **8. CONCLUSION**

In this review, Shasta LAFCO has endeavored to accurately assess the current services and organizational status of the Mayers Memorial Healthcare District as a provider of hospital and related services based upon information available at this time. This is the first review of this district since its formation in 1969, and it is expected that additional data will be brought forward, especially as future improvements and development occurs. LAFCO has made what we believe are substantiated determinations based upon prescribed statutory factors.

It is recommended that the municipal service review and sphere of influence update for the Mayers Memorial Healthcare District be adopted as proposed on the enclosed SOI update map marked Exhibit A.

## **9. REFERENCES**

- a. District (interviews, records)
- b. County of Shasta Departments
- c. Shasta LAFCO files for this district.
- d. Internet research on various sites.

## **10. EXHIBITS**

- A. Map of proposed SOI Boundary
- B. Maps of Adjacent Healthcare Service Providers
- C. District Formation Data
- D. District Response to Request for Information 2013
- E. District Financial Documents 2012-2014
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